

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PROPANE COST ADJUST-)	
MENT FILING OF COLUMBIA GAS)	CASE NO. 90-200-C
OF KENTUCKY, INC.)	

O R D E R

On October 8, 1990, the Commission issued its Order in Case No. 90-200 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of propane is increased or decreased or a refund is received.

On August 1, 1991, Columbia Gas of Kentucky, Inc. ("Columbia") filed for a change in rates effective September 1, 1991 and submitted with its notice certain information in compliance with its propane cost adjustment ("PCA") clause on file with this Commission.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Columbia's notice of August 1, 1991 set out certain revisions in rates which Columbia proposed to place into effect with propane supplied on and after September 1, 1991, said rates being designed to collect an overall under-recovery in gas cost pursuant to the Actual Cost Adjustment ("ACA") provision of its PCA. The time period used by Columbia in calculating the amount to be contained in the ACA is November 1990 through June 1991.

The ACA mechanism, however, has only been available to Columbia since February 6, 1991, when its PCA was approved. Using only the months of February 1991 through June 1991, to calculate the ACA yields an ACA component of (\$.0706) rather than \$1.8363 as proposed by Columbia.

2. Columbia's corrected adjustment in rates under the propane cost adjustment provisions approved by the Commission in its Order in Case No. 90-200 dated October 8, 1990 is fair, just, and reasonable, in the public interest, and should be effective with propane supplied on and after September 1, 1991.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Columbia be and they hereby are denied.

2. The rates in the Appendix, attached hereto and incorporated herein, are fair, just, and reasonable, and are approved effective with propane supplied on and after September 1, 1991.

3. Within 30 days of the date of this Order, Columbia shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 28th day of August, 1991.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

Commissioner

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 90-200-C DATED 8/28/91

The following rates and charges are prescribed for the customers in the area served by Columbia Gas of Kentucky, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Rates: Monthly

	Base Rate Charge \$	Gas Cost Adjustment \$	Total Billing Rate \$
<u>RATE SCHEDULE GPS</u>			
<u>Residential</u>			
First 1 Mcf or Less per Mo.	6.79	7.4736	14.2636
<u>Commercial or Industrial</u>			
First 1 Mcf or Less per Mo.	15.10	7.4736	22.5736
Next 49 Mcf per Mo.	1.5392	7.4736	9.0128
Next 150 Mcf per Mo.	1.4943	7.4736	8.9679
All Over 200 Mcf per Mo.	1.4495	7.4736	8.9231